

13B-2 SUMMARY OF FINDINGS

Value of Shipments and Receipts.—The total value of shipments and
receipts of the Crude

Petroleum and Natural Gas Industry amounted to \$9,894 million. Of this total, the Crude Petroleum Subindustry accounted for \$8,600 million, including \$7,377 million for crude petroleum, field condensate, and drips shipped and \$1,170 million for natural gas shipped. \$294 million for crude petroleum, field condensate, and drips shipped and \$990 million for natural gas shipped.

Type of Operation.—For many purposes, a more useful classification of reports is by type of operation as shown in tables 2A and 3B and included in certain other tables of this report. This classification segregates reports representing oil wells only, both oil and gas wells, and gas wells only. (In the census, a well was defined as an oil well if oil was the principal product as measured by value, and as a gas well if the value of gas shipped exceeded the value of oil shipped.) Such a classification was also provided in the 1958, 1954, 1939, 1919, and 1909 censuses. For 1963, the value of shipments and receipts of establishments operating oil wells only was \$1.637 million; both oil and gas wells, \$7,962 million; and gas wells only, \$294 million. Since the largest reports covered both oil and gas wells, this group accounted for 79 percent of the total crude petroleum, field condensate, and drips produced in the Crude Petroleum and Natural Gas Industry and for about 86 percent of total gas production.

Establishments in the Crude Petroleum and Natural Gas Industry not only operated producing oil and gas wells, but also reported that they drilled for their own account about 39,900 wells during 1963, and that they drilled on contract for others about 2,100 wells. Total receipts for services performed for others by establishments in the Crude Petroleum and Natural Gas Industry were \$47 million. Separate reports for operation of oil and gas field properties were sometimes furnished by contractors who also operated wells. But in most cases consolidated reports were received for establishments primarily performing contract services in a State, but also operating oil and gas field properties. Such reports were classified in the contract services industries. The total value of crude petroleum, field condensate, and drips shipped in 1963 by such industries was \$42 million and the value of natural gas shipped was nearly \$9 million.

Separate type-of-operation statistics are shown in tables 2A and 3B for establishments with and without drilling. For 1963, 56 percent of all producing establishments were engaged only in operating and maintaining wells, having no drilling activities either by their own employees or on contract by others. Such establishments, however, accounted for only 10 percent of the total value of shipments, 18 percent of total persons engaged, 7 percent of total principal expenses, and less than 3 percent of total capital expenditures.

Drilling Costs.—New capital expenditures in the Crude Petroleum

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g. Expenditures for drilling wells was about the same as this figure, amounting to \$2,099.1 million, of which \$2,051 million was by establishments classified in the Crude Petroleum and Natural Gas Industry. However, operators customarily do not capitalize the cost of drilling dry holes, for which the expenditures were \$600 million. Because of the magnitude of these drilling expenditures, and their continuing necessity to maintain a domestic oil and gas production industry, detailed data on them were obtained in the 1963 census, as they were for 1958, 1954, and 1939. Figures for the number, footage, and costs for drilling and equipping oil, gas, dry, and service wells were obtained separately by type of well.